

STATE OF CALIFORNIA



MEMO

**To: FISCAL COMMITTEE
VICTORIA RUSNAK, CHAIR
ANTHONY A. BATARSE, JR., MEMBER**

Date: July 20, 2018

**From: TIMOTHY CORCORAN
DAWN KINDEL**

**Subject: STATUS REPORT CONCERNING THE BOARD'S COLLECTION OF
THE ARBITRATION CERTIFICATION PROGRAMS' ANNUAL FEE**

BACKGROUND

The New Motor Vehicle Board ("Board") is required to administer the collection of fees to fully fund the Department of Consumer Affairs, Arbitration Certification Program (ACP). These fees are collected from manufacturers and distributors licensed in California that distribute passenger vehicles weighing less than 10,000 pounds.

Each year, the ACP notifies the Board of the dollar amount necessary to fully fund its program during the current fiscal year and Board staff determines the fee to be assessed per vehicle and collects the funds.

STATUS OF COLLECTION

The ACP requested that the Board collect \$1,286,000 to fund its program. The Board adds in \$3,000 to cover the cost of managing the collection. This resulted in a fee of \$.586 per vehicle.

Invoices were sent to 42 manufacturers and distributors in February 2018, and collection was completed in June 2018, with a total of \$1,288,940.02 collected and deposited in ACP's account.

This memorandum is being provided for informational purposes only, and no Board action is required. If you have any questions concerning this matter, please contact Dawn at (916) 323-7201.

cc: Ramon Alvarez C., President